



County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

DAVID SANDERS, PH.D.
Director

June 14, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Board of Supervisors
GLORIA MOLINA
First District
YVONNE B. BURKE
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**REQUEST TO APPROVE AMENDMENTS NUMBER ONE TO EXTEND TWO
COMMUNITY TREATMENT FACILITY (CTF) AGREEMENTS
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**JOINT RECOMMENDATION WITH THE CHIEF PROBATION OFFICER AND THE
DIRECTOR OF THE DEPARTMENT OF MENTAL HEALTH THAT YOUR BOARD:**

1. Approve and authorize to the Director of Department of Children and Family Services (DCFS) to execute Amendments Number One, similar to Attachment A, with Star View Children and Family Services, Inc. (Star View) and Vista Del Mar Child and Family Services (Vista Del Mar) to extend the terms of the CTF Agreements for three additional months from July 1, 2005 through September 30, 2005, with the option to extend on a month-to-month basis for up to three (3) additional months, from October 1, 2005 through December 31, 2005, for provision of CTF services. The cost to extend the agreements thru September 2005 is approximately \$514,320. If all three additional month-to-month extension options are exercised, the total cost for the period July through December 2005 will be approximately \$1,028,640. The costs will be financed using approximately 27.8% State revenue and 72.2% net County cost (NCC). Sufficient funding is included in the FY 2005-06 Proposed Budget.
2. Delegate authority to the Director of DCFS, or his designee, to continue the CTF Agreements with Star View and Vista Del Mar on a month-to-month basis by written notice, for up to three additional months, from October 1, 2005 through December 31, 2005, if necessary, after Chief Administrative Office (CAO) approval; and instruct the Director of DCFS to notify your Board and the CAO, in writing, within ten workdays that an extension option has been exercised.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The CTF Agreements with Star View and Vista Del Mar were approved and adopted by your Board on June 29, 2004. The original term of the Agreements was six months with the option to extend for an additional six (6) months on a month-to-month basis. With all options taken, the current CTF Agreements expire on June 30, 2005. DCFS is in the process of re-negotiating with these two providers for new contracts, but has not completed all phases. The services provided under the supplemental rate need to be clearly defined in order to ensure the supplemental rates are necessary and sufficient to cover the cost of services needed beyond the level of services provided under the RCL 14 rate. The Auditor-Controller (A-C) obtained fiscal data from Star View and Vista Del Mar. After analyzing the data, it was determined that additional detail and analysis are required for both Agencies. In addition, in the case of Vista Del Mar, some of the required additional information will not be available until after the end of June. DCFS, Probation Department (Probation) and the Department of Mental Health (DMH) will work with the A-C to determine the necessity and sufficiency of the supplemental rates when the fiscal and program services information is available. Negotiations with Star View and Vista Del Mar will be conducted after this analysis is completed. As a result, the existing Agreements must be extended to ensure no lapse in services.

This Board letter does not comply with the Board's policy requiring timely submission of contracts to your Board for approval. The intent was to have new contracts in place on July 1, 2005 that included the appropriate supplemental rate. However, delays in obtaining the fiscal data and program services information needed to determine whether or not the supplemental rates are necessary and sufficient, necessitated extending the current contracts. The delay in obtaining this information was not anticipated and resulted in untimely filing. Also, it was necessary to obtain State approval to extend these CTF contracts pending the completion of the supplemental rate evaluation.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan, Goal #1 (Service Excellence), Goal #4 (Fiscal Responsibility), and Goal #5 (Children and Families Well-Being). The recommended action will ensure that services will continue without interruption.

FISCAL IMPACT/FINANCING

There will be no change in the payment rate pending a determination of the necessity and sufficiency of the supplemental rates. Both Star View and Vista Del Mar are reimbursed at the RCL 14 rate of \$6,371 per child per month. In addition, both providers receive a supplemental rate of \$2,500 per month per child. Vista Del Mar currently receives an additional supplemental rate of \$1,260 per month per child.

Therefore, the total cost per month for each child in Star View and Vista Del Mar is \$8,871 and \$10,131, respectively.

The cost to extend the agreements thru September 2005 is approximately \$514,320. If all three additional month-to-month extension options are exercised, the total cost for the period July through December 2005 will be approximately \$1,028,640.

Sufficient funding is included in the FY 2005-06 Proposed Budget. The costs will be financed using approximately 27.8% State revenue and 72.2% NCC. The additional supplemental rate of \$1,260 for Vista Del Mar is 100% NCC.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Superior Court gives responsibility for the care, custody, and control for each Dependent Child to DCFS, and for each Ward to the Probation. DMH clients are placed by their parents voluntarily (pursuant to Chapter 26.5, California Government Code). The recommended action will allow the CTF contractors to provide continuous services and treatment without interruption.

Star View and Vista Del Mar are the only two facilities licensed by California Department Social Services (CDSS) to provide CTF services in Los Angeles County. Pursuant to WIC Section 4092(d), which authorizes the CTF supplemental placement cost of \$2,500, the CTF supplemental placement cost is the \$2,500 in addition to the RCL 14 rate of \$6,371 per child per month. Star View has 40 beds and Vista Del Mar has 24 beds available for placements. Under the original negotiated contract with Vista Del Mar, the facility requested and was provided an additional \$1,260 per child per month to offset operating costs such as building depreciation.

The CAO and County Counsel have reviewed this Board Letter and Amendments. County Counsel has approved the Amendments as to the form.

CONTRACTING PROCESS

There is no additional contracting process needed for this action.

DCFS requested and received approval from the State to extend these Agreements for the periods stated.

IMPACT ON CURRENT SERVICES

Approval of these amendments will allow the continuation of CTF services to be provided without interruption.

CONCLUSION

Upon approval of the both Amendments Number One by your Board, it is requested that the Executive Officer/Clerk of the Board send a copy of the adopted Board Letter and the Form Amendment to:

1. Department of Children and Family Services
Contracts Administration
Attention: Walter Chan, Manager
425 Shatto Place, Room 400
Los Angeles, CA 90020
2. Department of Mental Health
Contracts Development and Administration Division
Attention: Richard Kushi, Chief
550 S. Vermont Avenue
Los Angeles, CA 90020
3. Probation Department
Contract Management Division
Attention: Yolanda Young, Director
9150 E. Imperial Hwy
Downey, CA 90242
4. Office of the County Counsel
Advice and Litigation Division
Attention: Kathy Bramwell Senior Deputy County Counsel
201 Centre Plaza Drive
Monterey Park, CA 91754

Respectfully submitted,

DAVID SANDERS, Ph.D.
Director

DS:WC:hp

Attachment (1)

c: Chief Administrative Office
County Counsel